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FISCAL IMPACT STATEMENT

LS 7211

BILL NUMBER: HB 1406

NOTE PREPARED: Jan 5, 2005

BILL AMENDED:

SUBJECT: Alcoholic Beverage Matters.

FIRST AUTHOR: Rep. Whetstone

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: *Provision 1:* This bill provides that if a primary source of supply acquires the rights to a product and decides not to have a beer wholesaler continue to distribute the product, the primary source of supply must compensate the wholesaler for the loss of the right to distribute the product or reappoint the wholesaler to distribute the product.

Provision 2: This bill also allows a beer wholesaler to offer a special discount price to a beer dealer or beer retailer if the beer is a brand or package the beer wholesaler has discontinued or the beer will expire within a certain date and must be destroyed by the wholesaler.

Provision 3: This bill allows a manufacturer of alcoholic beverages to offer on a nondiscriminatory basis bona fide incentives to wholesalers if the incentives are determined based on sales to retailers or dealers occurring during specified times and for specified products.

Effective Date: Upon passage; July 1, 2005.

Explanation of State Expenditures: This bill could have an administrative cost impact on the Alcohol and Tobacco Commission (ATC). The Indiana State Excise Police (ISEP) is the law enforcement division of the ATC. The provisions of this bill could cause an increase in enforcement costs to ISEP. It is presumed that the increase could be covered through the use of existing staff and resources.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

Information Sources:

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